

DEFENSE LOGISTICS AGENCY DEFENSE SUPPLY CENTER PHILADELPHIA 700 ROBBINS AVENUE PHILADELPHIA, PENNSYLVANIA 19111-5092

MAY 2 4 2006

To Our Valued Medical Capital Equipment Customers:

Beginning on July 5, 2006, the Defense Supply Center Philadelphia (DSCP) and the Defense Logistics Agency (DLA) will migrate our next increment of business to the Business Systems Modernization (BSM) environment. DSCP's Medical Supply Chain will be deploying our Capital Equipment business worth an annual demand value of about \$227 million. The migration of the Medical Capital Equipment business will be the first of four Medical rollouts over a six-month time period, which will bring the entire Medical Supply Chain into a single BSM solution. We expect the Capital Equipment increment to be as seamless as those we have transitioned in the past. Therefore, you as a customer can expect no interruption in service while we transition to this new system.

The BSM program is among DLA's most significant information technology and reengineering projects ever. In addition to improved system transactional capabilities and financial reporting and compliance, we have also changed our organizational structure to focus on you, the customer. Our new organization has both a Director of Customer Operations and Director of Supplier Operations to ensure a concentrated focus on both customers and suppliers, respectively. Customer Account Specialists located in Customer Relationship Management cells within the Medical Supply Chain will handle all of your customer support needs. In addition, Ms. Nancy Richardson and Mr. Andrew Wechter are available to answer any specific questions you may have about our impending Capital Equipment transition. You can contact Nancy at 301-619-4479 or email her at nancy.richardson@dla.mil. You can contact Andy at 215-737-4114 or email him at andrew.wechter@dla.mil.

For additional information on the BSM program, please go to the BSM Customer Resource Information Center at http://www.dla.mil/j-4/cric/. We value you as a customer and thank you for including us on your list of valued suppliers.

Respectfully,

MICHAEL S. MCDONALD

Colonel, US Army

Director

Medical Customer Operations Directorate

